

# The Bankruptcy of Reform

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*"We Socialists are not Reformers; we are Revolutionists. We Socialists do not propose to change forms. We care nothing for forms. We want a change of the inside of the mechanism of society, let the form take care of itself."*

\* \* \*

*"The program of this revolution consists not in any one detail. It demands the unconditional surrender of the capitalist system and its system of wage slavery; the total extinction of class rule is its object. Nothing short of that—whether as a first, a temporary, or any other sort of step can at this late date receive recognition in the camp of the modern revolution."*

DANIEL DE LEON,  
in *"Reform or Revolution."*

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CHAPTER I.

## The Bankruptcy of Reform

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Can the worker's condition be improved?

This question is being asked insistently today. It may be presented in many different forms, but regardless of how it is worded, the questioner is anxious to know what can be done to improve existing conditions.

We are faced with a desperate situation. Even the supporters of capitalism admit the system is on trial. Unemployment is widespread and growing to enormous proportions. We can produce food, clothing and shelter in unlimited quantities, yet all that the future holds in prospect for millions of men and women is poverty, destitution and pauperism.

Confronted by such a situation it is not surprising that on every hand people are seeking a way out of this maze of contradictions. The opponents of revolutionary Socialism believe these contradictions can be reconciled if only certain reforms are put into operation. All advocates of reform, therefore, believe it possible to bring about improvements in the condition of the working class.

Capitalist politicians actively seek to keep the workers sidetracked from real issues by getting them enthusiastic for reforms. The material interests of the capitalist class, the security of its privileged position in society, requires a general belief amongst the workers that an improvement

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in their condition in society is possible. To effect this result the upholders of capitalism use every agency of propaganda and information, such as the press, pulpit, radio, schools, etc. It cannot be denied they have, with few exceptions, been successful in the fixation of reform ideas in the minds of the workers.

Errors and superstitions maintain their power over men's thoughts only so long as they accept them without questioning their correctness. Workers have blindly relied on reformers to put into operation reforms that promised to provide more jobs, or shorter hours of labor, or higher wages, or improve their social conditions. Existing conditions clearly demonstrate that reforms never accomplish the results claimed for them. Millions of unemployed are today smarting under a vague sense of having been fooled with empty promises, and their simple trust in reforms has been shamefully betrayed. More and more workers are being forced to a realization of their material interests. The futility of all reforms is becoming daily more apparent.

It is the object of this pamphlet to assist in the work of destroying the worker's trust in reforms, or his hope that his condition can be improved so long as capitalism exists. We shall endeavor to show how the workers hurt their own interests, and retard their progress, by wasting time and energy demanding reforms which, if they could be obtained, would be powerless to improve their conditions.

The reader may ask, "Does the Industrial Union League maintain that workers cannot expect to receive any benefit from reforms, no matter what their nature may be?" This question correctly expresses the position of the I. U. L. It can be shown reforms are never given except they operate in the interests of the ruling class. They cannot therefore, by this fact, work also to the advantage

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of the workers. An impartial investigation of the facts compels recognition of this truth.

Unemployment Insurance in the principal reform put forward today for working class support. All so-called liberal and radical organizations sponsor Unemployment Insurance. It has, in addition, many advocates among members of the capitalist political parties. Can workers expect any advantages from such a reform? Assuming capitalist politicians consider it to their interest to put Unemployment Insurance in to operation what may we expect it to accomplish? Karl Marx said, "One country can and should learn from others." Germany and England for a number of years have "enjoyed" the blessings of Unemployment Insurance. American workers can and should learn from these two countries what, if any, improvements will follow its introduction in this country. Their experiences ought to enable us to form correct conclusions on this question.

In England, it is indisputable the workers are worse off than ever before. The same can also be said for the workers of Germany. Is it reasonable or logical to expect Unemployment Insurance to perform for the American working class what it has utterly failed to do for the workers in countries where it is in operation?

In Germany and England it has failed to relieve unemployment and has not solved their economic problems, they have grown more difficult. In both these countries Unemployment Insurance has kept the workers docile and submissive. It has been used as an opiate to deaden all their revolutionary aspirations. In England the workers have been degraded to a nation of servile mendicants. They feel dependent on the continued existence of things as they are for their weekly "handout." For the English ruling class it has splendidly accomplished its main purpose, namely, the destruction of the workers growing spirit of revolt, and



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eliminating the dangers of revolution. Lloyd George, who was responsible for the putting into operation of Unemployment Insurance in England, has on several occasions claimed—and with justification—that it has staved off revolution in that country.

Not only is Unemployment Insurance of no value or benefit to workers, but the same is true of all reforms. The tragic condition of the working class bears eloquent testimony to this conclusion. In warfare, when an army's front has been weakened by an attack, military strategy requires its line must be rebuilt or strengthened, else defeat for such an army will surely follow. How is such a position rebuilt and strengthened? Reserves are put in to strengthen the line's most vulnerable points. In effect the line is *re-formed*. In capitalist society the class struggle is as real and terrible as military warfare. Whenever the capitalists realize their interests are in danger, they safeguard their position by promising the workers this or that reform. Just as an army commander reforms his weakened line by sending in his reserves, so reforms accomplish, for capitalists the same purpose. They use them to maintain their class domination. Such strategy keeps the workers divided over reforms, makes them a weak, disorganized mob, and they suffer defeat after defeat. Workers must understand that reforms are always put before them with an eye to keep capitalism in power; to give capitalism a longer lease of life.

The Industrial Union League maintains that organizations which advocate or support reforms are consciously or unconsciously working in the interests of the capitalist class. All such organizations are enemies of the workers. The Socialist and Communist parties, for example, appeal for labor's support by including in their programs and platforms long lists of reforms. Class-con-

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scious workers should shun such organizations as they would a plague. They are anti-revolutionary, their demands for reforms are merely the reserve troops of the capitalist class.

## CHAPTER II.

### The Lesson of History

History shows the ruling class of any period rose to power because of some material necessity that brought it into existence; it maintained its privileged position in society by its ability to perform some imperative social duty for the oppressed class. When these requirements for its rule could no longer be fulfilled, the ruling class, in all previous social systems, lost its power. The system wherein it dominated collapsed, and a new order took its place.

In the period of history known as Chattel Slavery, the slave owners were the ruling class. They made possible the territorial state, by establishing a settled and ordered society. Such social relations enabled a minority to enjoy leisure and culture, the necessary basis of human progress. The social duty of the slave-holder was to provide food, clothing and shelter for his slaves. To maintain his class rule the slave-holder had to guarantee his slaves the material requirements of their existence.

Under the feudal system of society the slave was transformed into the serf, and the slave owner into the feudal lord. The feudal lords accomplished for the whole of Europe a more settled and progressive society than was possible for a system of production based on chattel slavery. The feudal serf worked without pay, a stipulated number of days on his master's land. In return the feudal lord had to secure his serf from personal harm or

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violence, and guarantee him protection in time of war. In both these systems of society—Chattel Slavery and Feudalism—between the ruling class and the ruled, there existed reciprocal relations and mutual understandings which both sides found to their material interests to observe. Exploitation was only possible within clearly defined and definite limits.

The Materialistic Conception of History, discovered and formulated by Marx and Engels, makes clear as crystal the historic mission of both the capitalist and working class in economic evolution. The material necessity for capitalism is understood by Marxists. The historic task of the capitalist class has been the accumulation of capital. In accomplishing this task it has developed the productive forces of society to a level where it is possible to produce a maximum of wealth with a minimum expenditure of effort. Capitalism has solved the age-long problem of mankind, viz, the problem of producing in abundance the material requirements of life. The solution of this problem has, at bottom, been the dominant urge behind all scientific investigations, discoveries and inventions. Man's physical necessities are the determining factors of his mental activities. To solve the problem of production required we should probe the secrets of nature, discover its laws, and be able to direct and utilize them for the satisfaction of our needs. Capitalism made possible our scientific knowledge of nature. Such knowledge, applied to production enables society to produce wealth in unlimited abundance. Man has at last arrived at a high stature of his development. He has made nature subject to his needs. This concludes the historic mission of capitalism. The material necessity that called it into being no longer exists, and the capitalist, like the chattel slave owner and the feudal lord, must become a part of past history.

## THE LESSON OF HISTORY

The centralization of capital, as expressed in trusts, mergers, combines, etc., makes continuation of private ownership of the machinery of production impossible. The capitalist class exercises today no function in production, nor does it perform any social duties for the working class. Its existence is purely parasitic, it is no longer an essential class in society, it has become a fetter upon society's progress and must be abolished. Capitalism must go! It has become historically impossible, economically unnecessary and socially an absurdity.

## CHAPTER III.

### The Lesson of Today

A clear understanding of the historical necessity of capitalism also makes plain to the working class its mission in society. The modern proletariat, or working class, has in its keeping the revolution, but before this can be accomplished it must become mentally aware of its class position in society. Marx laid down the proposition that the economic emancipation of the working class must be the class conscious act of the workers themselves. Ignorance on this point divides the workers on both the political and economic fields. It explains their allegiance to the political parties of capitalism, and their obsolete trade unions. In matters that affect them politically and industrially workers act on the assumption their interests are identical with those of their masters. The Industrial Union League endeavors to show the absurdity of such an assumption and to arouse in the minds of the workers a consciousness of their class importance and irreplaceability in the existing social mode of production.

The evolution of the machinery of production finds the working class in full and complete control of its operations. The machine is a social tool and requires co-operative and co-ordinated labor power to set it in motion. In such requirements of production "Rugged individualism" plays no part. They exclude also, the capitalist, individually or as a class, from exercising any necessary or essential function. Mass production, in the nature



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of things, makes the individual a link in a chain of connected manipulations, demanding little or no skill. Large scale production cannot successfully be conducted unless the workers are left in complete charge of such industries. The very mechanism of mass production automatically makes unessential and unnecessary the capitalist class in industry. It does not fit in anywhere, and can play no part in its operations. The capitalist mode of production has developed the contradiction of ownership divorced from control and operation. In all previous systems of society the ruling class maintained its social status because it did not merely own the tools of production, but also played a necessary personal part in their operation; ownership and management were inseparable. Not so today, for, while the capitalist class owns the machinery of production it does not manage or operate them. The working class manages and operates them but does not own them. As already pointed out, machinery being social instruments they are incapable of private management or operation. Such being their nature, they must, inevitably pass from private to social ownership.

## CHAPTER IV.

### The Way Out

It is undeniable we have reached the stage in our economic evolution which makes possible the solution of all the economic and social problems that confront society. Our mechanical ability to produce wealth in superabundance, makes unnecessary the existence of poverty, misery and starvation in our midst. The working class must become conscious of these things being the inescapable result of the private ownership of the machinery of production; that they can only disappear when capitalism is abolished. Once the workers make this their objective, the correct tactics to realize such a goal will follow.

The workers, in the majority of cases, have a growing sense of something being wrong, and are blindly seeking "cures" for their economic ills. Such workers are like a man suffering from a physical ailment who refuses to avail himself of the correct method of treatment. He usually tries to cure himself by all sorts of remedies. He will purchase different kinds of patent medicines, each of them claiming to be a panacea for all the evils afflicting mankind. After spending time and money he finds that his condition grows from bad to worse. Finally he begins to get alarmed; in desperation he seeks the advice of a competent physician. The latter, after correctly diagnosing his trouble, prescribes the correct remedy for its treatment. In a short time after following the scientific remedy, dictated by his condition, the

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patient finds himself restored to his normal health. What should have been his first course of action—to seek expert scientific advice—he postponed to the very last. Delaying taking the proper steps to effect his cure, he unnecessarily suffered physically and mentally.

This story represents the condition of the workers today. For many years they have been trying to cure their economic ills by all sorts of quack remedies. As a result their condition has grown worse instead of better. They have been hoodwinked by the promises of the Republican and Democratic parties. The sugar-coated reform pills of the Socialist Party afford them no relief and the criminal insane advice of the Communist Party of America calling upon workers to organize for *civil war*, leaves them in a hopeless and precarious state.

Unlike the sick man in the above story, who could have been restored to health by consulting a doctor, the working class has consulted too many quacks. The workers must now turn to the scientific means of curing their economic and social ills. These means consist of organization for emancipation through the Socialist Revolutionary Industrial Union. Only then, can the working class bring to itself the radiant flush of social and economic health.

## CHAPTER V.

### Industrial Unionism

The complete over-throwing of the capitalist political state and putting in its place the Industrial Republic of Labor is the historic task of the working class. The material conditions for such a revolutionary act are already in existence. Sooner or later they will reflect themselves in the minds of the workers, and this mental understanding will be followed by a general acceptance of the correct principles of organization. The inevitableness of such a conclusion is based on the requirements of our modern centralized mode of production. Large scale industry requires the co-operative efforts of a great number of workers at one point of production. The application of scientific methods to production, without which mass production is impossible, destroys the workers' skill and craftsmanship. Their function is merely to guide the processes of a machine—and like magic it produces wealth. The evolution of industry makes the conditions of work similar for all. In the words of Marx "The workers are disciplined, united, organized by the very mechanism of capitalist production itself." This uniformity in their material environment must produce a similarity of ideas in the minds of the workers, which necessarily must lead to the proper method of organization.

Present day industrial methods of production plainly show existing trade unions are out of date; they correspond to a mode of production long



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since antiquated. Craft unions are structurally incapable of aiding the workers in their every day struggles, nor can they achieve their future economic emancipation. Trades unions are obsolete as weapons in the class struggle. They merely divide the workers, though claiming to unite them: Trade, or craft unions must go! They must give way to a form of organization in harmony with the evolution of industries; that is, structurally built to include all workers in industry regardless of the nature of their work; and that will be an effective instrument for their economic and social emancipation.

Industrial Unionism alone answers to these three essentials of effective working class organization. It is predicated on the fundamental principle that the working class is ONE, therefore, as a class it should organize on economic lines into Industrial Unions. These unions will support their own political party of labor to give expression to their ultimate goal and object—the Industrial Republic of Labor. Such a political party of labor can only be effective as the organized economic might of the workers supports it to carry out activities on the political field toward labor's ultimate goal. This goal can only be attained by all the workers, in any given industry, being organized and all such Industrial Unions being united in one great union of the working class to take over, hold and operate the nation's industries.

The structure of the Industrial Union foreshadows the future social system. The present political state, the expression of the class struggle, will disappear, and its place taken by the Socialist Industrial Republic of Labor. The future government will be industrial, and not, as today, political. It will be an administration of things and not as today, a government of men. Instead of a Congress elected by territorial divisions, devoted to making laws regulating the actions of persons, there will

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be a congress whose delegates will represent the nation's industries. Its time will be devoted to problems of production, mainly adjusting production to the consuming power of the workers of the nation.

We have tried, as far as the limits of a small pamphlet will allow, to show that all political parties, with their programs of reforms are of no value to the workers; that all existing forms of trades unions are obsolete and cannot function today. The Industrial Union League proclaims to the working class **SOCIALIST INDUSTRIAL UNIONISM IS THE ONLY WAY OUT!** Workers of the world unite! Unite industrially and politically to overthrow the arch enemy-Capitalism, Unite to abolish poverty, misery and slavery. Unite to form the Socialist Industrial Commonwealth of Labor!

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